



The President's Daily Brief

January 12, 1976

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UN - MIDDLE EAST - USSR

Saudi Foreign Minister Prince Saud informed the US embassy Saturday that Saudi Arabia has coordinated with Syria, Egypt, and the Palestine Liberation Organization a unified, "constructive" resolution for the UN Security Council debate on the Middle East that begins today. There are other indications, however, that some Syrians and Palestinians may be pressing for a more strident resolution.

According to Prince Saud, agreement was reached on a three-part resolution that would include provision for:

--Israeli withdrawal from occupied territories, without employing the controversial term "the territories" that the Arabs usually use to imply a total withdrawal.

--The rights of the Palestinians, apparently without specifying that these include "national" rights or the right to a homeland or state.

--Guarantee of security for the states of the area.

Syrian President Asad and most senior Syrian officials are widely reported as wanting to obtain passage of a resolution that is temperately worded and to avoid a US veto. It is not clear, however, that Syria's idea of temperate language accords with US thinking. There is also considerable question whether the Arabs have watered down their demands to the extent Prince Saud implies.

While there seems little doubt that President Asad will strive to avoid a US veto, his room for maneuver is somewhat limited. Having pressed for the Security Council debate in order to emphasize Syrian frustration at the lack of progress in peace negotiations and to press for PLO participation in

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negotiations, Syria cannot end the debate with less than recognition--at least in general terms--of the need for further Israeli withdrawal and the principle of Palestinian rights.

How far the Syrians will press these issues will depend in large measure on how they perceive the US reaction. Encouraged by the US statement last November underscoring the importance of the Palestinian problem, Syria tends to believe that the idea of PLO participation in negotiations is gaining greater acceptance within the US government. If the Syrians believe the US position at the UN still gives reason for encouragement, they might accept a vaguely worded resolution that avoided spelling out the extent of Israeli withdrawals or the specifics of Palestinian rights.

Indeed, the position outlined by Saudi Prince Saud may constitute the Syrians' and Palestinians' minimum position--one they could accept if they believe the US had adopted an accommodating position. There have been indications that the PLO too wants to avoid a sterile polemical debate, and it might be receptive to a compromise formula on Palestinian rights.

Egypt has not played an influential role in the formulation of Arab strategy. In contacts with PLO leaders, Egyptian officials have urged that the PLO take an accommodating approach. Egyptian media have repeatedly advocated Arab flexibility as the best means of calling Israel's bluff.

Egyptian influence is so limited at this point, however, that its calls for moderation will have little impact with the PLO unless that organization itself decides, in conjunction with Syria, that this is a wise course. Egypt has had no contact with Syria at all on the issue.

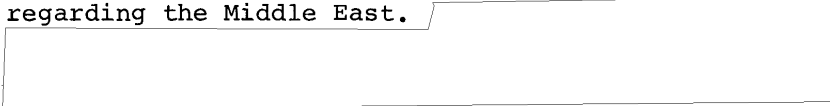
Israel is maintaining its vigorous opposition to the Security Council debate and particularly to the expected participation of the PLO. The Israelis are looking to Washington to hold the line against possible Arab attempts to push through a resolution that could provide an opening for the inclusion of the Palestinians as separate participants in negotiations.

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The USSR is unenthusiastic about the Security Council discussions. A statement issued Friday reflects Moscow's concern that the debate will hamper efforts to reconvene the Geneva conference--where the USSR enjoys a role co-equal with the US--and suggests disapproval of any Syrian effort to alter substantially the basic Security Council resolutions regarding the Middle East.



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LEBANON

Fighting spread to nearly all sectors of Beirut, including the central hotel district, during the weekend. In the eastern suburbs, leftist and Palestinian forces continue efforts to break the Christian blockade of two Palestinian refugee camps.

Following a meeting on Saturday between Prime Minister Karami and other Muslim leaders at which Karami denounced the Christian blockade, the Lebanese army announced that it would escort a convoy of food and water supplies to the camps. Continued fighting, however, has prevented the convoy from moving.

Passage of the convoy--if it seemed to signal Christian intent to compromise--might induce the Palestinians to end their involvement in the fighting. They would still probably insist on a guarantee of free access to the camps. Continuation of the blockade has induced more Palestinian activity elsewhere in the city.

The Palestine Liberation Organization has played a generally constructive role in attempting to rein in Muslim leftist forces.

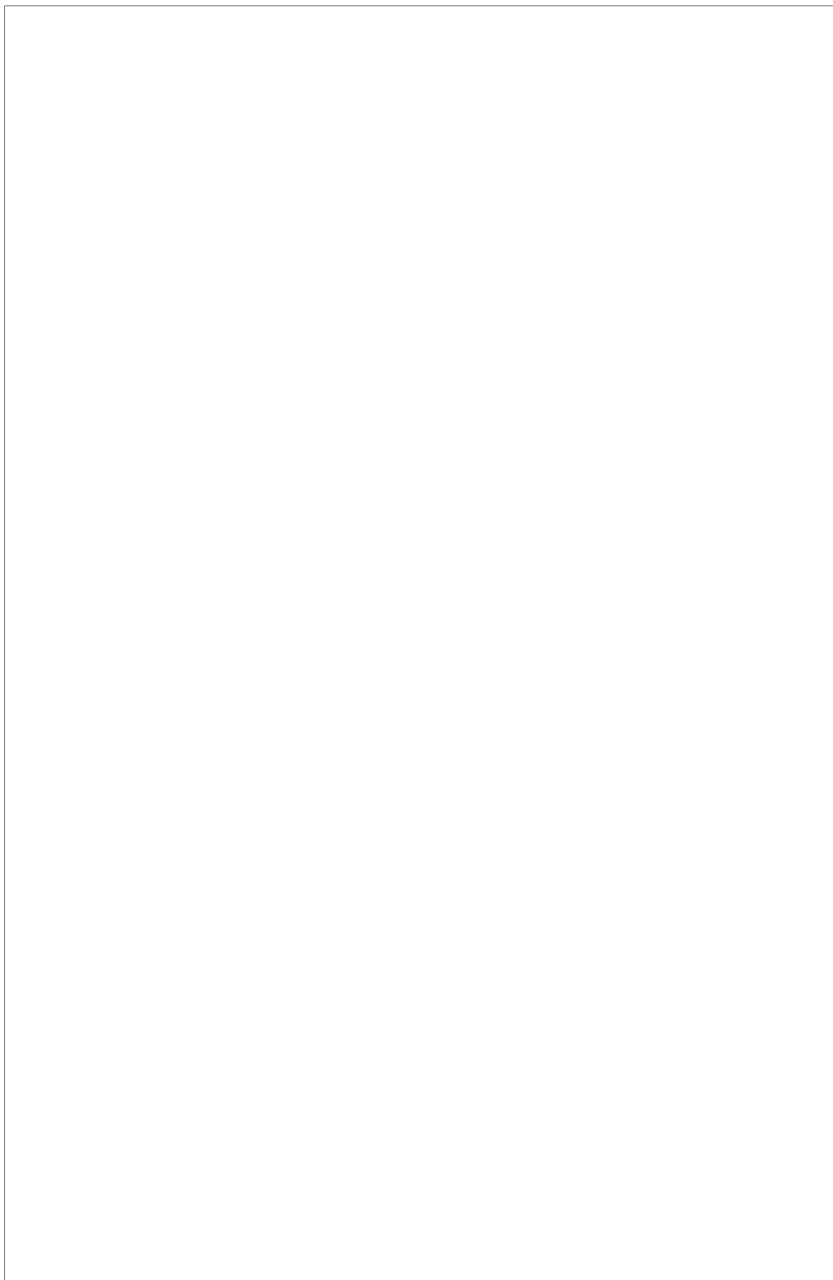
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CUBA-ANGOLA

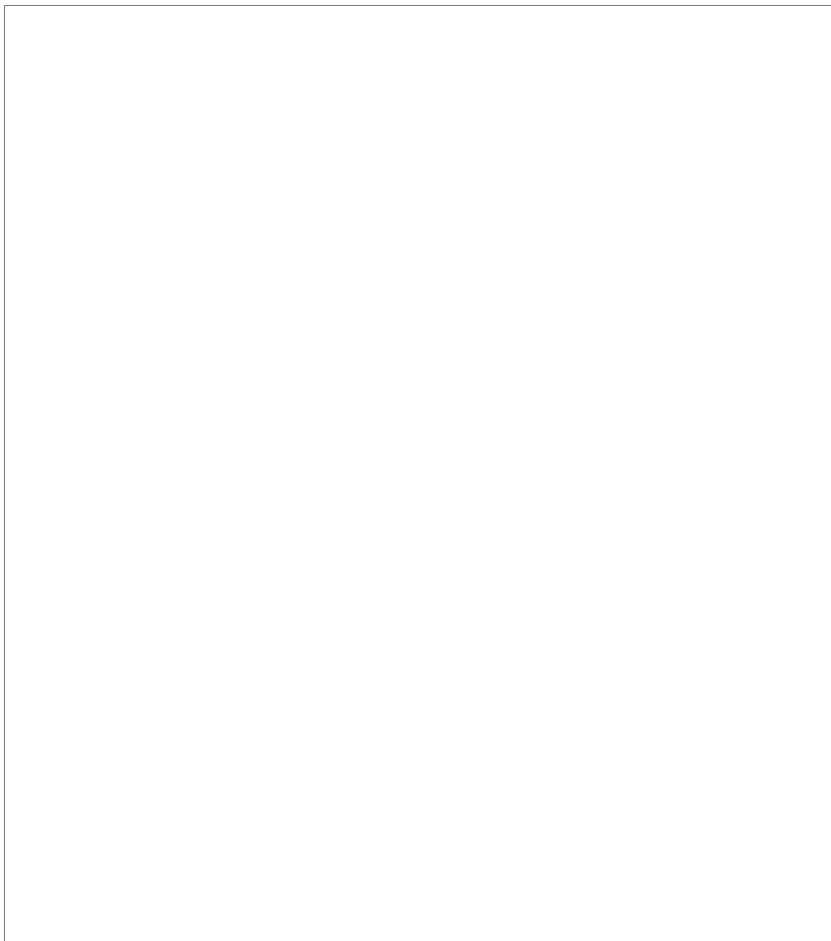
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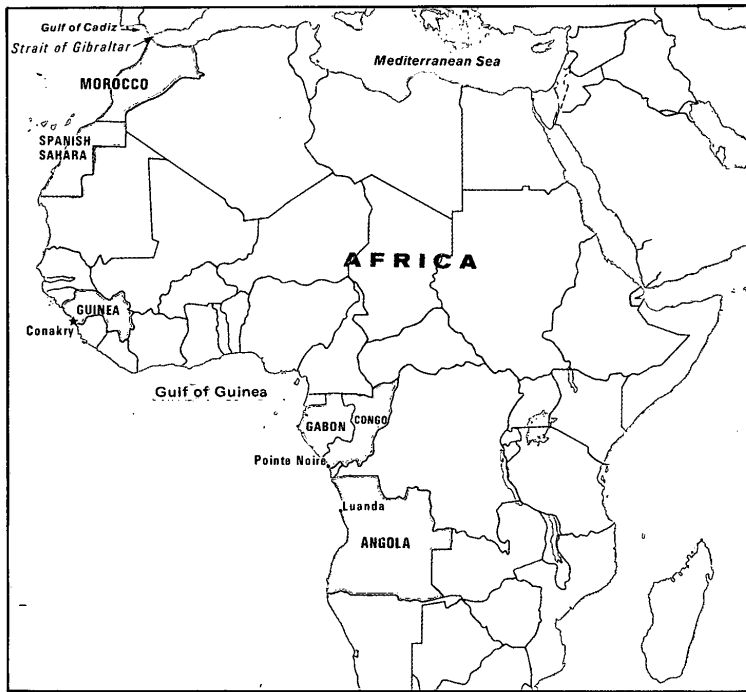
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USSR-ANGOLA

The Soviet Kresta II class cruiser off west Africa is en route to the Gulf of Guinea after pausing yesterday near Conakry, Guinea, probably to take on fuel from a Soviet tanker. The cruiser presumably will rendezvous later this week with the Kotlin class destroyer now in the Gulf of Guinea. We have confirmed the presence of a second tanker in the Gulf of Guinea.

The destroyer is scheduled to call at Pointe Noire, Congo, from January 18 to 25. A Soviet landing ship that had been at Pointe Noire left either Friday or Saturday and was last located off the coast of Gabon.

The Sverdlov class cruiser that recently entered the Mediterranean is still heading west; yesterday, it was northwest of Algiers. We believe it will rendezvous near the Strait of Gibraltar today with a Kresta I class cruiser and a Kashin class destroyer that have been off the coast of southern Portugal.

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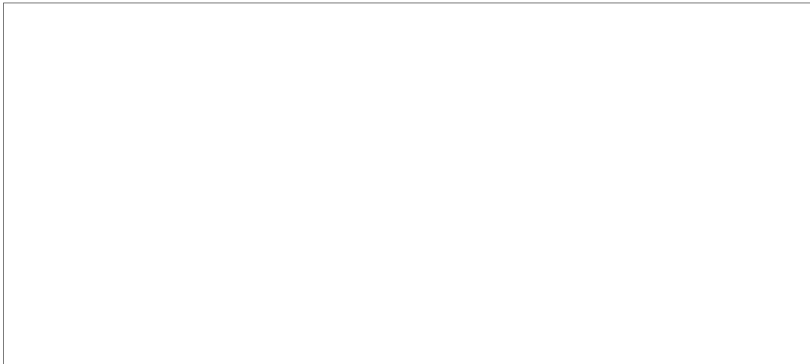
The Soviet intelligence collection ship that left its normal patrol station in the Gulf of Cadiz last week was detected on Saturday near the border of Morocco and Spanish Sahara. It is presumably en route to the Angolan coast to expand Soviet military communications there.

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ITALY

Italy's major parties begin talks with President Leone today on how to replace the Moro government. The major point of dispute among the parties remains the question of whether the Communist opposition should be consulted more openly and formally by the next government as demanded last week by the Socialist Party.

The Christian Democrats implied in strategy talks with other parties over the weekend that they are prepared to give the Socialists a substantially larger and more influential cabinet role to lure them back into a coalition. The Christian Democrats have ruled out any arrangement, however, that would establish a formal consultative relationship between the government and the Communists.

The Socialists are feeling increasingly isolated. All of their potential supporters--most important organized labor--have criticized the Socialists for toppling the Moro government and forcing the Communist issue to the forefront. This criticism probably accounts in part for the greater flexibility shown by Socialist leader De Martino since the fall of the cabinet.

Instead of arguing that Communist "support" should be sought by any new government--as he did last week--De Martino now talks in terms of a Communist "contribution." He insists that his critics are wrong in seeing the Socialist position as a choice between an opening to the Communists and an early parliamentary election.

The Communists continue to emphasize their opposition to an early parliamentary election and to criticize the Socialists for precipitating a confrontation in the midst of efforts in parliament to deal with the country's severe economic problems. Nevertheless, Communist insistence that the next government will not be effective unless it gives more weight to Communist views may indicate a willingness to enter some arrangement

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along lines being proposed by the Socialists. Although the party has agreed to an informal role in some of the regional governments it does not control, it has so far discouraged attempts to try the idea at the national level.

President Leone and the man he nominates as prime minister will be searching for a formula to reconcile the competing views of the Christian Democrats and Socialists on the Communist issue.

Leone reportedly still leans toward Moro as his choice for prime minister. Budget Minister Andreotti is being mentioned more frequently than heretofore because of his close relations with one of the Socialist leaders.

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NOTES

Ecuadorean President Rodriguez' resignation yesterday in favor of a three-man junta is unlikely to affect foreign and domestic policies; neither will it affect growing dissatisfaction with military rule.

The junta, composed of the three armed service chiefs, has announced that it will turn the country over to civilian rule by the end of 1977--a timetable that will not appease critics who were demanding that Rodriguez hold an election reasonably soon. The reported difficulty with which the three service chiefs arrived at the present arrangement and their serious personality conflicts do not augur well for the new leaders' success in solving the economic and social problems that plagued Rodriguez.

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Labor tension persists in Spain despite the end of the Madrid subway strike yesterday.

Under the temporary settlement, the workers have been granted a wage increase and promised no reprisals. Although the five-day strike was ended with relative ease, it has inspired other work stoppages. Some 75,000 workers throughout the country were on strike over the weekend for higher wages. In Madrid alone, strikes closed five large plants.

Yesterday, police used tear gas and arrested about a dozen persons who demonstrated for pay raises and political amnesty. Communist labor leader Marcelino Camacho, who was released in November under a partial amnesty decreed by the King, charged that the government is reverting to the methods of the Franco regime. He claimed that although the workers are fighting for justifiable wage increases and have no intention of political subversion, it is inevitable that economic grievances become linked to political demands.

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